

GATT Lump Sum Factors for 2006

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The lump sum option is calculated based on the interest rate of 30-year Treasury Bonds. This rate is known as the General Agreement on Tariffs and Trades (GATT) and changes each year. The rate is based on Public Law 103-465, which prescribes interest and mortality assumptions used under Section 417(e) of the Internal Revenue Code for determining the amount of lump sum benefits in effect as of the prior year. If you choose an immediate lump sum, the lump sum benefit will be calculated using the current year's rate if the election is received at Benefits Administration by December 15 of this year. If you choose the lump sum option in the future, the lump sum benefit will be based on the rate in effect at that time, and may be greater than or less than the current benefit.

Multiply 1.6% x your average highest 60 months base salary x benefit years of service = your estimated age 65, 10 Year Certain and Life annuity. For example: $.016 \times \$3000 \times 20 = \960 , payable at age 65, 10 Year Certain and Life.

Find your age for the year you are estimating, multiply the factor shown x the age 65 benefit. This will give you your pension lump sum, present value. For example: (age 50) $74.797 \times \$960 = \$71,805.12$ estimated lump sum, present value.

AGE	FACTOR	AGE	FACTOR
Factors are to be applied to monthly benefits amounts			
20	19.728000	55	94.125000
21	20.615000	56	98.638000
22	21.543000	57	103.411000
23	22.513000	58	108.470000
24	23.527000	59	113.845000
25	24.587000	60	119.561000
26	25.695000	61	125.655000
27	26.855000	62	132.173000
28	28.067000	63	139.160000
29	29.335000	64	146.680000
30	30.661000	65	154.794000
31	32.047000	66	151.450000
32	33.497000	67	148.118000
33	35.013000	68	144.799000
34	36.598000	69	141.496000
35	38.256000	70	138.218000
36	39.989000	71	134.978000

37	41.801000	72	131.796000
38	43.697000	73	128.695000
39	45.681000	74	125.689000
40	47.758000	75	122.791000
41	49.932000	76	120.016000
42	52.208000	77	117.377000
43	54.592000	78	114.895000
44	57.089000	79	112.581000
45	59.703000	80	110.445000
46	62.443000	81	108.496000
47	65.313000	82	106.736000
48	68.323000	83	105.166000
49	71.482000	84	103.780000
50	74.797000	85	102.573000
51	78.279000	86	101.539000
52	81.940000	87	100.668000
53	85.792000	88	99.949000
54	89.849000	89	99.366000